

# **Arizona State Parks Board**

## **January 15, 2010**



# 5th Special Session, 49<sup>th</sup> Legislature, Chapter 1

## December 17-19, 2009

### Fund Reductions and Transfers (FRATs)

Heritage Fund	1,784,700
Publications and Souvenir Revolving Fund	37,500
State Lake Improvement Fund	528,500
Enhancement Fund	<u>671,300</u>
Subtotal	\$3,022,000

### Excess Balance Transfers (EBTs or Sweeps)

Heritage Fund	2,124,700
Partnerships Fund	156,900
Publications and Souvenir Revolving Fund	4,000
State Lake Improvement Fund	1,387,300
State Parks Fund (Donations)	213,900
Enhancement Fund	<u>1,630,800</u>
Subtotal	\$5,607,600

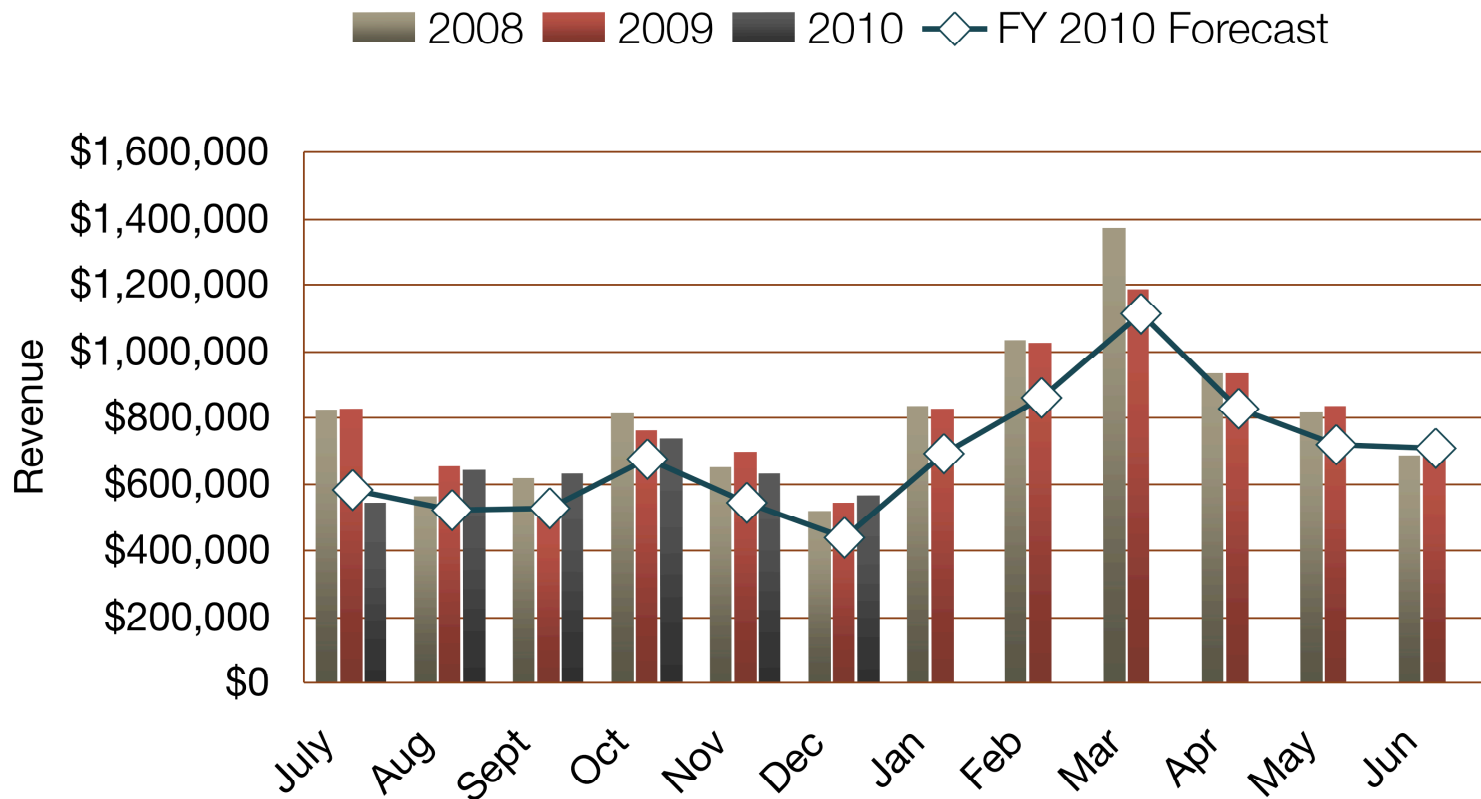
### **TOTAL REDUCTIONS**

\$8,629,600

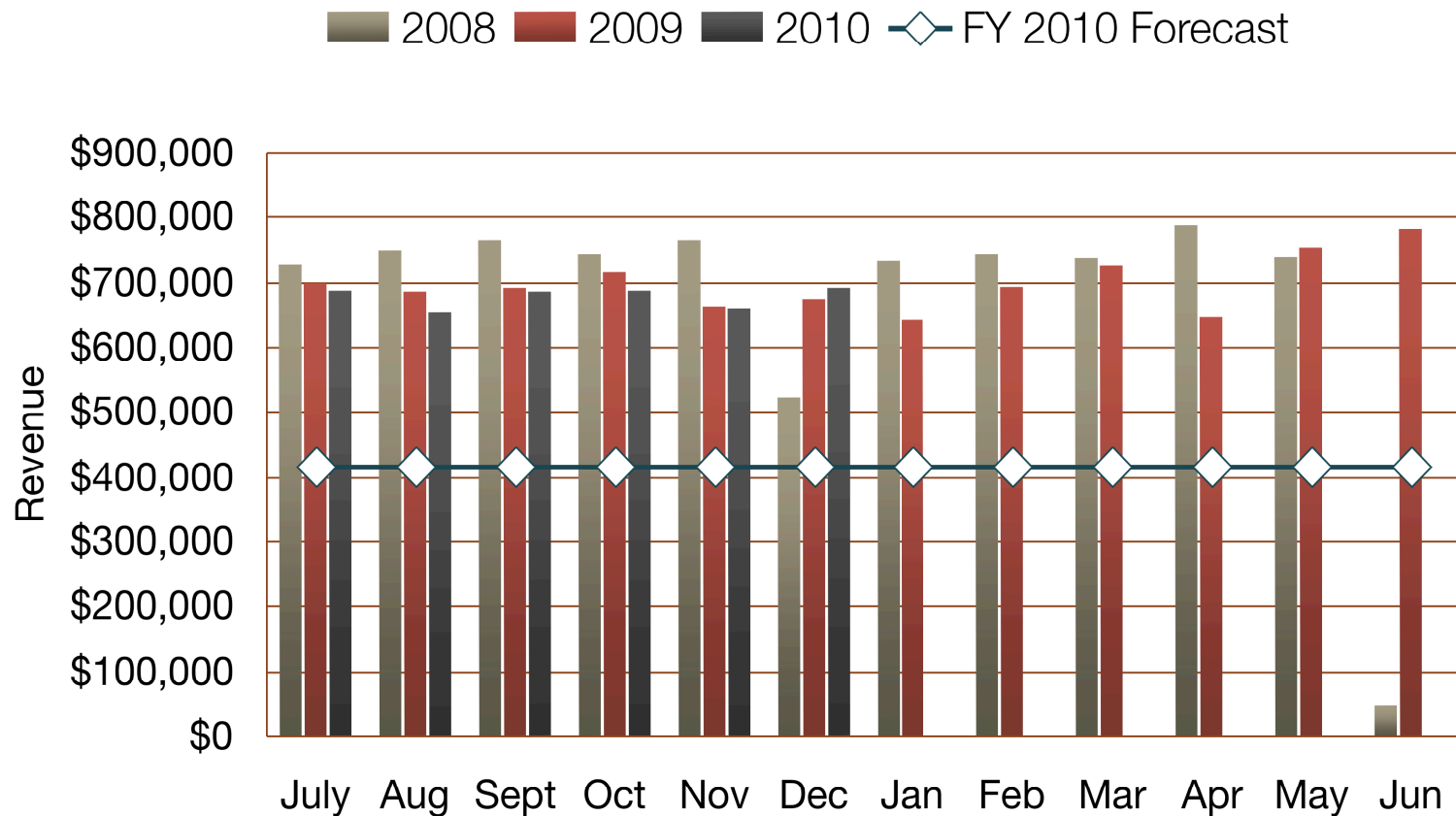
# REVENUE FORECAST

# Enhancement Fund

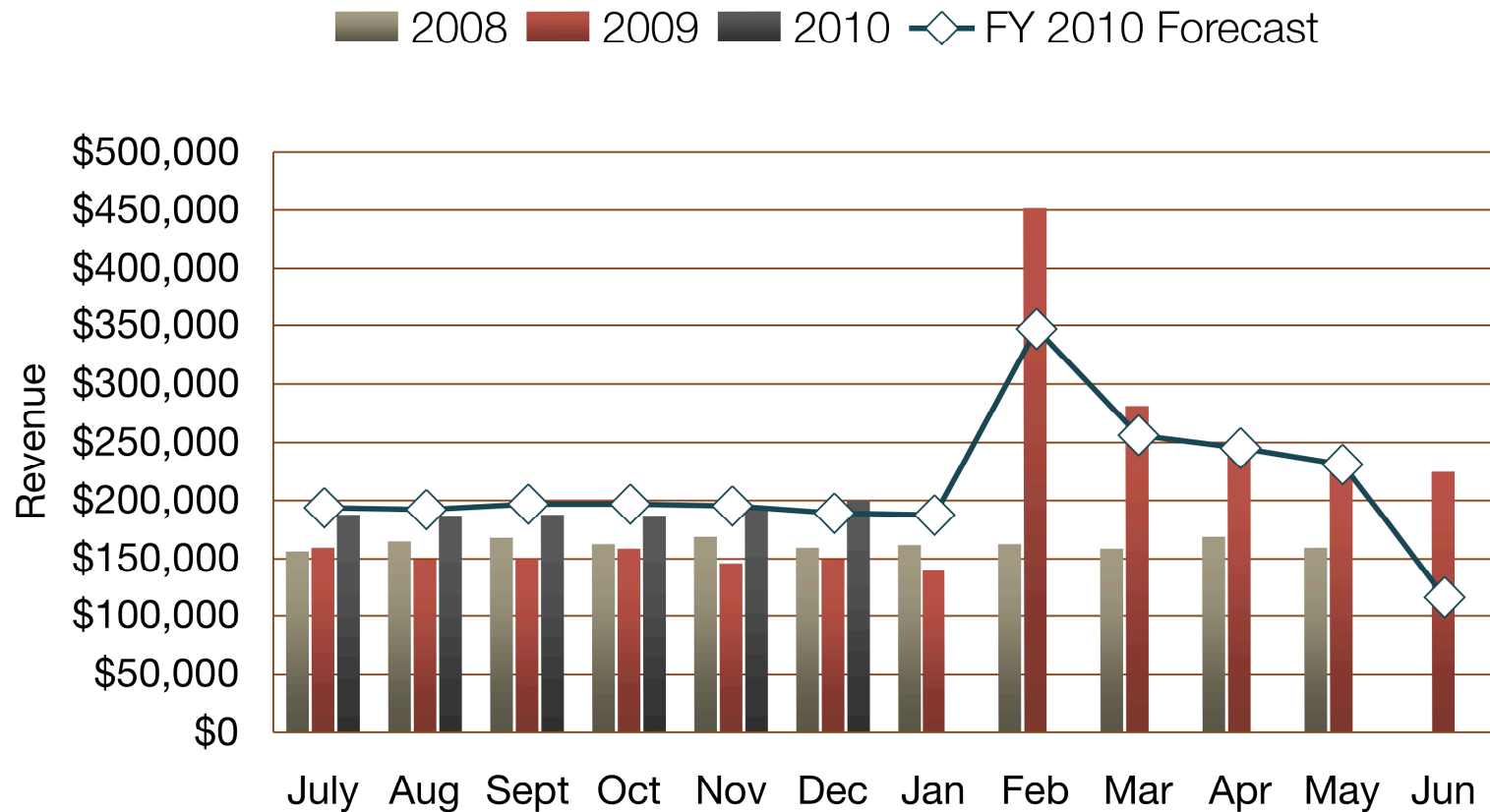
## FY 2008-FY 2010 Revenue



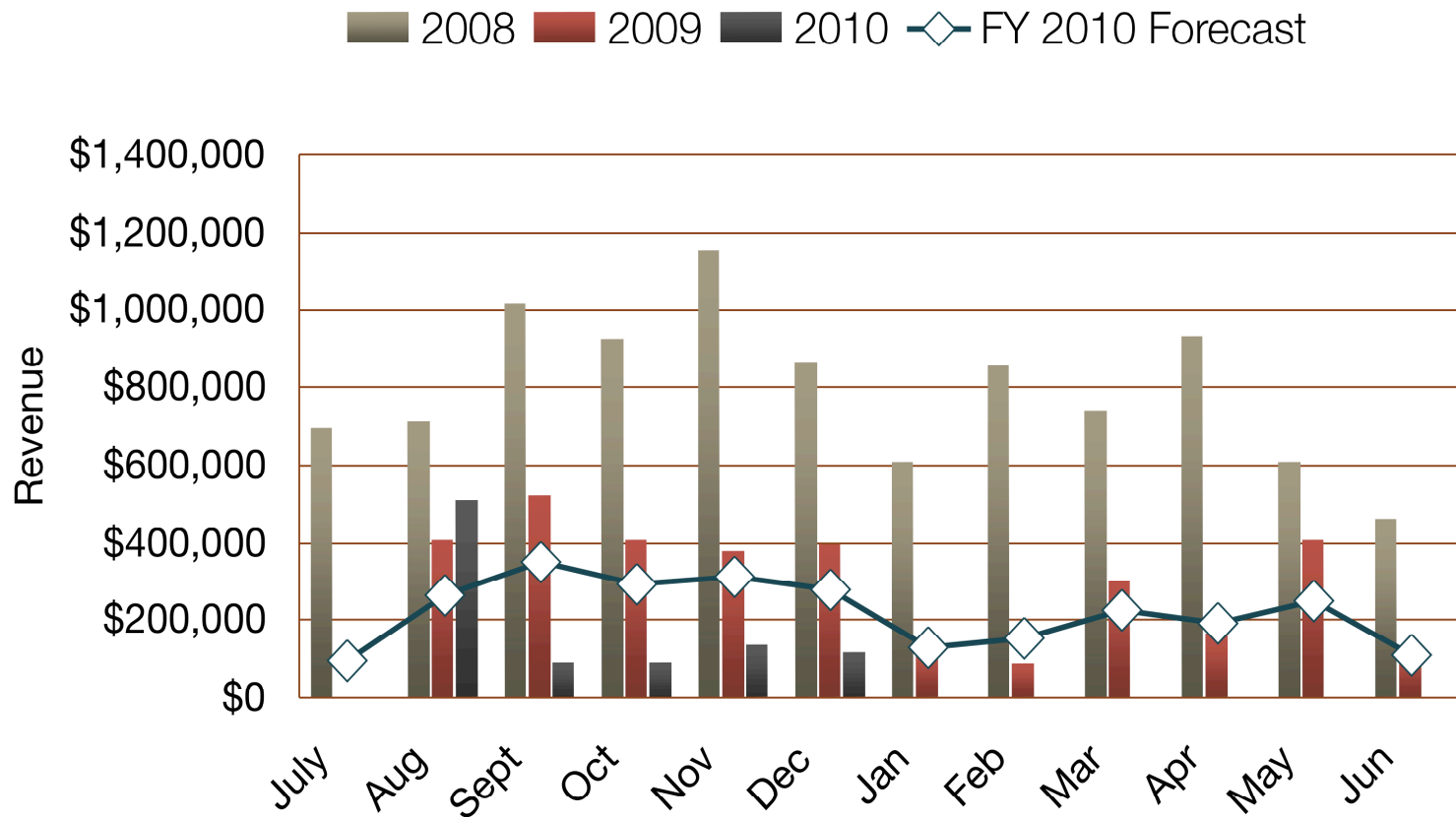
# State Lake Improvement Fund FY 2008-FY 2010 Revenue



# Off-Highway Vehicle Fund FY 2008-FY 2010 Revenue



# All Funds Interest Earnings FY 2008-FY 2010 Revenue



# 5<sup>th</sup> Special Session, 49<sup>th</sup> Legislature, Chapter 1

## Reductions and Sweeps FY 2010

FRAT - Fund Reduction & Transfer - Reduces Planned Expenditures, and Sweeps Funds						
EBT - Excess Balance Transfer - Sweeps Funds						
<b><u>FUND</u></b>	<b><u>FRAT</u></b>	<b><u>Apply To Planned FY 2010 Expenditures</u></b>		<b><u>EBT</u></b>	<b><u>Reductions to Fund</u></b>	<b><u>Total by Fund</u></b>
Enhancement Fund	\$671,300	Operating		\$1,630,800	Operating	\$2,302,100
Publications Fund	37,500	Operating		94,000	Operating	131,500
State Lake Improvement	528,500	Operating, Capital, Grants		1,387,300	Capital, Operating	1,915,800
Heritage Fund	1,784,700	Operating, Grants, Capital		2,124,700	Operating, Grants, Capital	3,909,400
Partnerships Fund	0	N/A		156,900	Operating,	156,900
Donations Fund	0	N/A		213,900	Interest, Donation Accounts	213,900
<b>SB 1001 Totals</b>	<b>\$3,022,000</b>			<b>\$5,607,600</b>		<b>\$8,629,600</b>
Note: Regarding the "Backfill" of sweeps: 5th Special Session, 49th Legislature, Chapter 1 - Section 3(a)						
"Notwithstanding any other law, in fiscal year 2009-2010 a budget unit may request a cash transfer between its own funds						
from the state comptroller to comply with a reduction or transfer required by this act."						



# 2010 Approved Operating Budget, Est. Fiscal Year 2010 Ending Balances & Preliminary Fiscal Year 2011 Est. Revenues

	Board Approved FY 2010 Operating Budget	Est. FY 2010 Cash Operating Balances (after EBTs & FRATs)	Preliminary FY 2011 Est. Revenues
<b><u>Fund Source</u></b>			
<b>Agency-Wide:</b>			
Reservation Surcharge Fund	\$307,400	\$75,000	\$300,000
State Lake Improvement Fund	5,481,600	1,499,000	4,981,600
Enhancement Fund - Appropriated	8,502,500	100,500	--
Enhancement - Non-Approp. Tonto COP Lease	448,300	0	--
Off-Highway Vehicle Fund - Agency Operations	692,100	0	692,100
Heritage Fund - Interest	1,270,000	1,373,400	43,000
Heritage Fund - Environmental Education	600,000	919,900	500,000
Heritage Fund - Natural Areas Operations & Mg	500,000	827,100	400,000
Heritage - Trails	100,000	0	100,000
Land Conservation - Agency Operations	<u>1,725,000</u>	<u>0</u>	500,000
<b>Subtotal Agency-Wide</b>	<b>\$19,626,900</b>	<b>\$4,794,900</b>	<b>\$7,516,700</b>
<b>Special Programs Only:</b>			
Federal Funds	929,800	966,000	793,600
Off-Highway Vehicle Fund - Program Operation	261,500	0	306,000
Land Conservation - Program Operations	500,000	500,000	500,000
Partnerships Fund	112,400	297,000	112,400
Donations Fund	10,000	0	3,000
Publications & Souvenirs Fund	<u>500,000</u>	<u>166,100</u>	<u>250,000</u>
<b>Subtotal Special Programs</b>	<b>\$2,313,700</b>	<b>\$1,929,100</b>	<b>\$1,965,000</b>
<b>Total Agency Operations</b>	<b><u>\$21,940,600</u></b>	<b><u>\$6,724,000</u></b>	<b><u>\$9,481,700</u></b>
<b>Cash balance by fund will change depending on future Board Actions on 1) which fund accounts to apply to the FRATs and EBTs, and 2) if there are any cash transfers between funds, especially between capital &amp; operating.</b>			
			<b>1/15/10</b>

Board Action

Agenda Item I-1

Consider Plan to Close State  
Parks to Meet Agency's  
Reduced Operating Budget

# Agenda Item I-1

Fiscal Problem

Requires a Fiscal Solution

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Goal: Rebuild the Enhancement Fund

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Enhancement Fund Operates Parks

# Agenda Item I-1

Revised staff recommendation:

Amend Fort Verde State Historic Park  
closing date to March 29, 2010

Complete Agreement with Town of  
Camp Verde

# Agenda Item I-1

Rationale for staff recommendation:

High Total Revenue Parks

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Net Revenue or Low Net Cost Parks

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Busy Summer Season Parks

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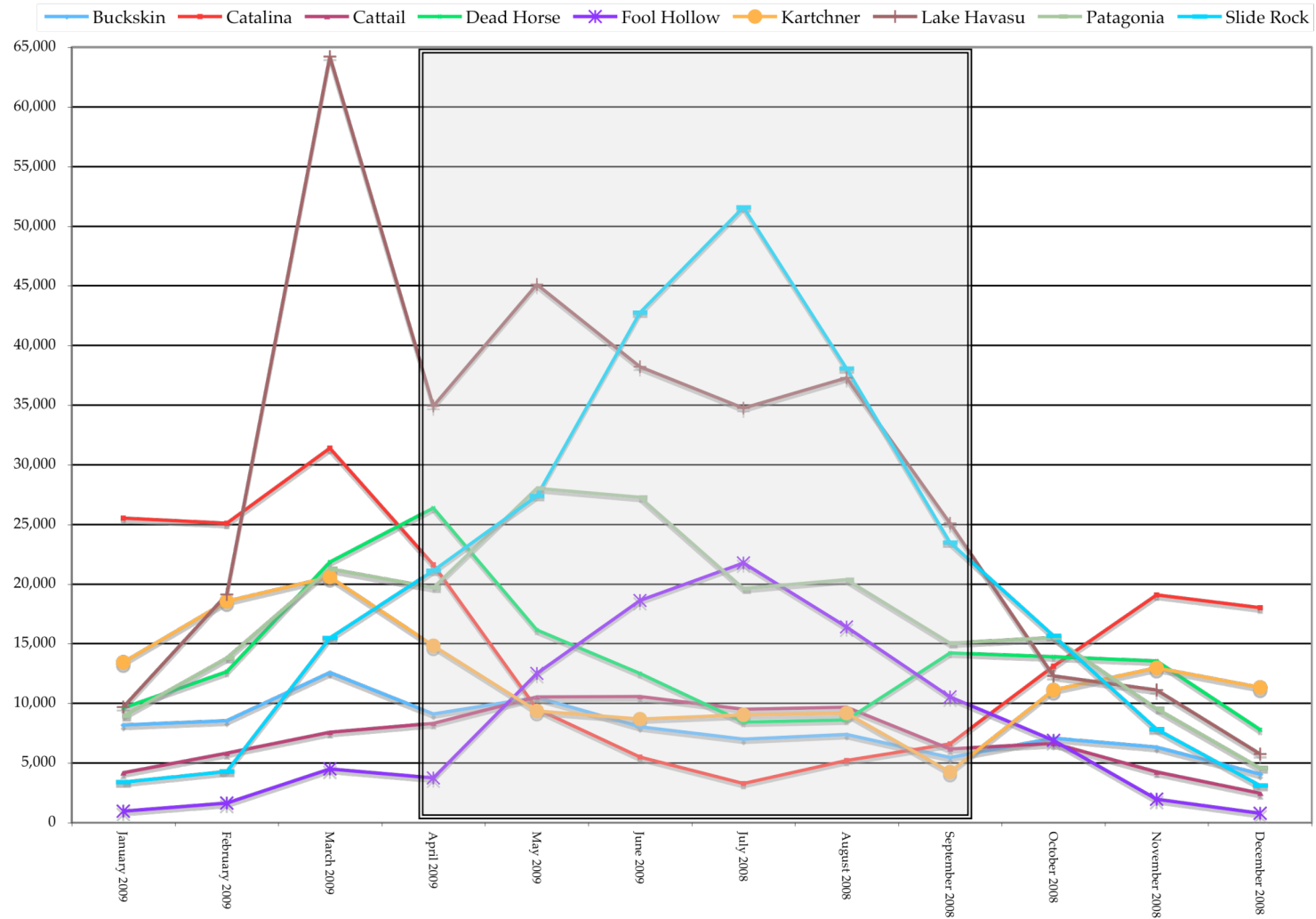
Caveat: Need \$3 million cash flow solution

# Group A Parks

Park	Total Expenditures	Total Revenue FY2009	Net Revenue/(cost ) FY2009	Recommendations
Buckskin	\$728,000	\$567,000	(\$161,000)	Remain Open
Catalina	\$378,000	\$539,000	\$161,000	Remain Open
Cattail Cove	\$492,000	\$425,000	(\$67,000)	Remain Open
Dead Horse	\$595,000	\$614,000	\$19,000	Remain Open
Fool Hollow	\$479,000	\$409,000	(\$70,000)	Remain Open
Kartchner	\$2,300,000	\$2,900,000	\$600,000	Remain Open
Lake Havasu	\$815,000	\$853,000	\$38,000	Remain Open
Patagonia	\$612,000	\$649,000	\$37,000	Remain Open
Slide Rock	\$419,000	\$627,000	\$208,000	Remain Open
<b>Total:</b>	<b>\$6,818,000</b>	<b>\$7,583,000</b>	<b>\$765,000</b>	

# Group A Parks

Total Attendance  
FY 2009  
(July 2008 through June 2009)



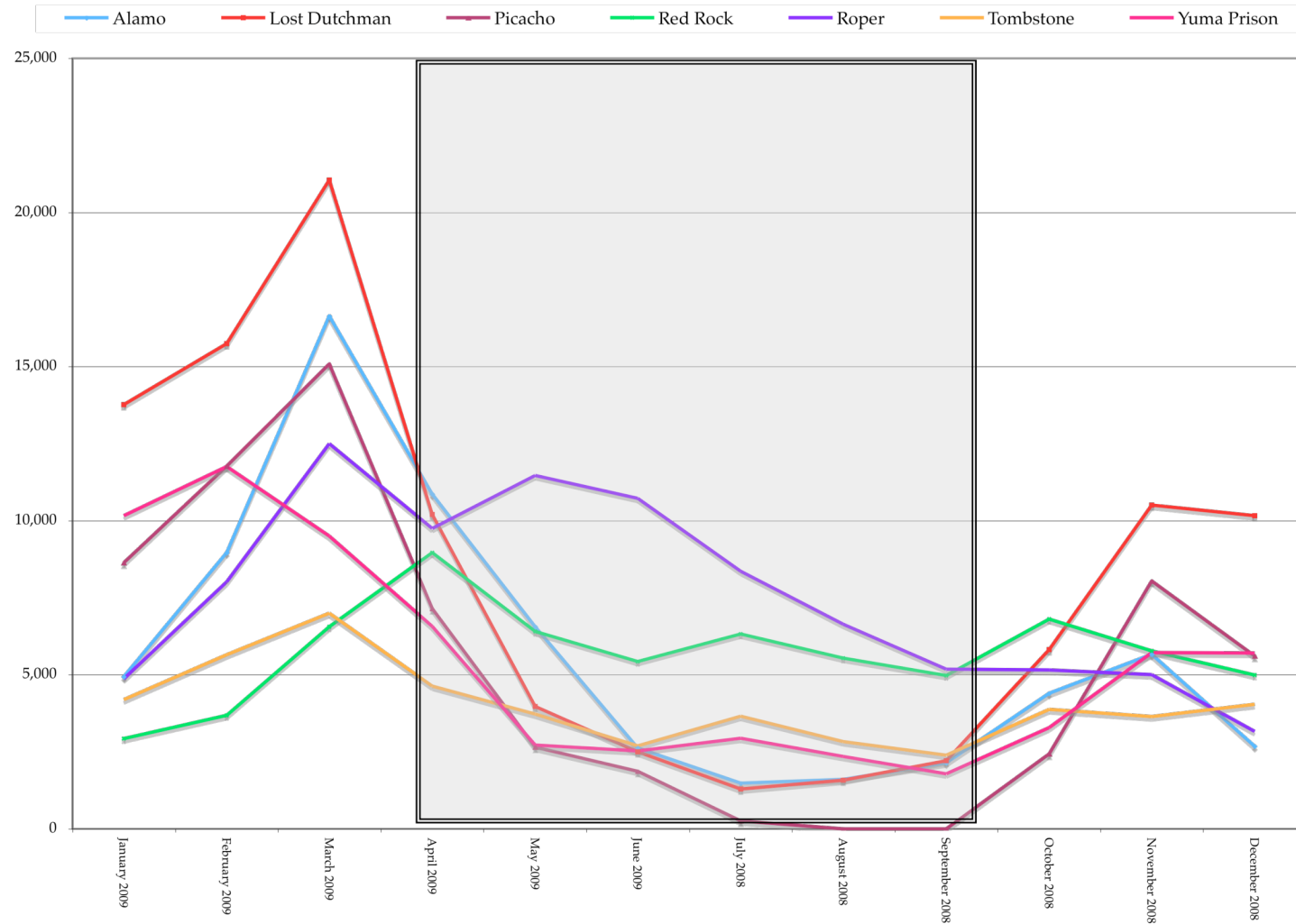
# Group B Parks

Park	Total Expenditure FY2009	Total Revenue FY2009	Net Revenue/(cost ) FY2009	Recommendations
Alamo Lake	\$365,000	\$318,000	(\$47,000)	Close June 3, 2010
Lost Dutchman	\$289,000	\$267,000	(\$22,000)	Close June 3, 2010
Picacho Peak	\$372,000	\$206,000	(\$166,000)	Close June 3, 2010
Red Rock	\$371,000	\$169,000	(\$202,000)	Close June 3, 2010
Roper Lake	\$454,000	\$271,000	(\$183,000)	Close March 29, 2010
Tombstone	\$211,000	\$158,000	(\$53,000)	Close March 29, 2010
Yuma Prison	\$317,000	\$193,000	(\$124,000)	Close March 29, 2010
<b>Total:</b>	<b>\$2,379,000</b>	<b>\$1,582,000</b>	<b>(\$797,000)</b>	



# Group B Parks

Total Attendance  
FY 2009  
(July 2008 through June 2009)



# Group C Parks

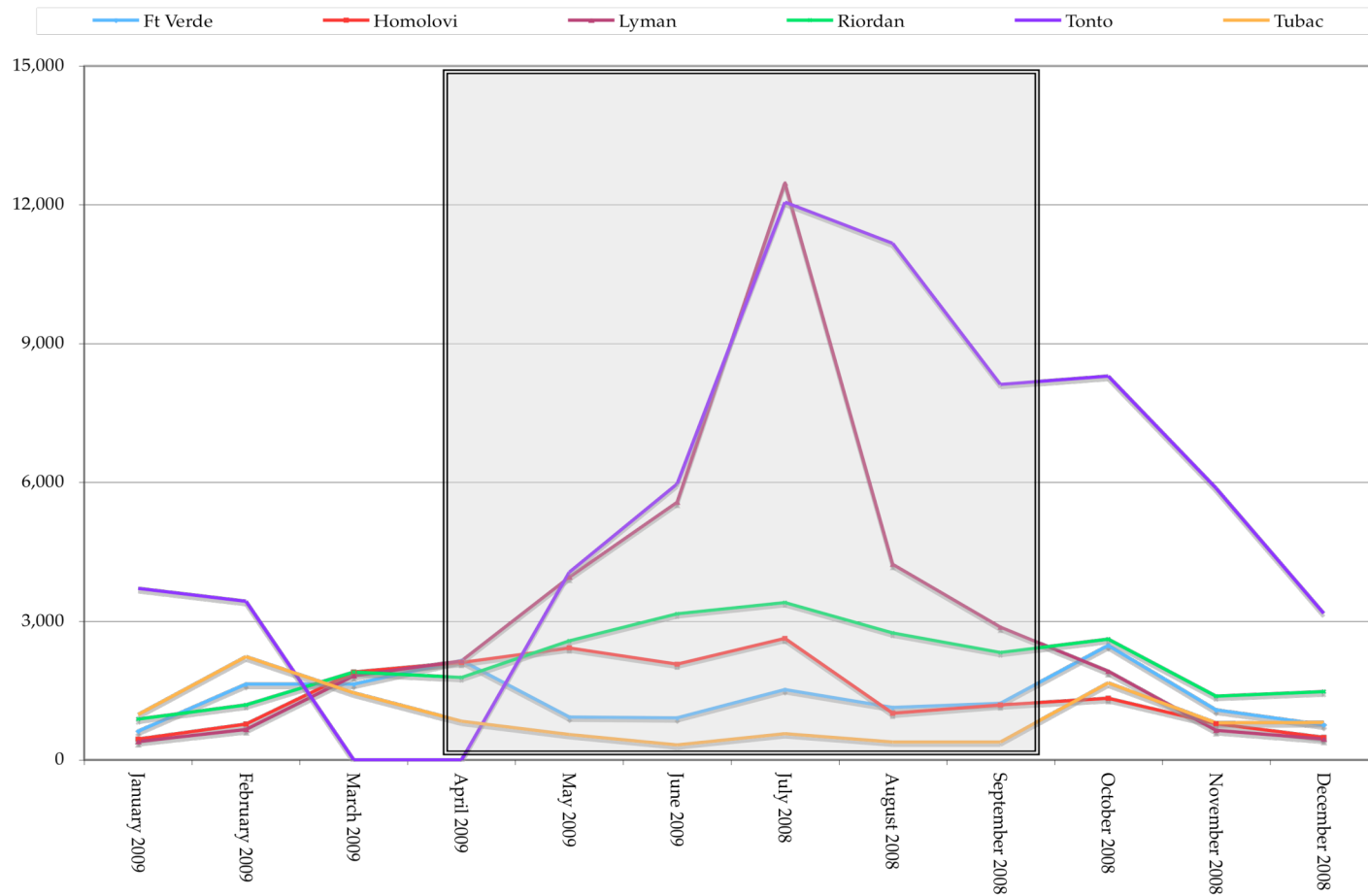
Park	Total Expenditures FY2009	Total Revenue FY2009	Net Revenue/(cost) FY2009	Recommendations
Ft. Verde*	\$226,000	\$34,000	(\$192,000)	Close February 22, 2010
Homolovi	\$323,000	\$51,000	(\$272,000)	Close February 22, 2010
Lyman Lake	\$358,000	\$133,000	(\$225,000)	Close February 22, 2010
Riordan	\$278,000	\$110,000	(\$168,000)	Close February 22, 2010
Tonto*	\$682,000	\$173,000	(\$509,000)	Close June 3, 2010
Tubac	\$193,000	\$29,000	(\$164,000)	Close March 29, 2010
<b>Total:</b>	<b>\$2,060,000</b>	<b>\$530,000</b>	<b>(\$1,530,000)</b>	

\*Ft. Verde – Extend closing date to March 29, 2010

\*Tonto – Includes \$373,000 FY-2009 Lease-purchase Payment

# Group C Parks

Total Attendance  
FY 2009  
(July 2008 through June 2009)



# Group D Parks

Park	Recommendation
Boyce Thompson Arboretum	Recommend suspending financial support for FY 2010; Arboretum is expected to continue operations through the University of Arizona and the Boyce Thompson Foundation.
Jerome	Remain Closed. Stabilization work continues.
McFarland	Remain Closed.
Oracle	Remain Closed. Discontinue reservation-only environmental education programs.
San Rafael	Never opened to public.
Sonoita Creek	Passively managed through Patagonia Lake staff.
Verde River Greenway	Passively managed through Dead Horse Ranch staff.
Yuma Quartermaster Depot	Managed by City of Yuma through lease agreement.

# Group A Parks

## Fiscal Years 2010 Estimated & 2011 Projected Expenditures/Revenue

Park	Budgeted Expenditure FY 2010	Estimated Revenue FY 2010	Estimated Net Revenue FY 2010	Projected Expenditure FY 2011	Projected Revenue FY 2011	Projected Net Revenue FY 2011
Buckskin	\$613,000	\$595,000	(\$18,000)	\$613,000	\$588,000	(\$25,000)
Catalina	\$375,000	\$588,000	\$213,000	\$375,000	\$613,000	\$238,000
Cattail Cove	\$352,000	\$430,000	\$78,000	\$352,000	\$398,000	\$46,000
Dead Horse	\$552,000	\$655,000	\$103,000	\$552,000	\$685,000	\$133,000
Fool Hollow	\$450,000	\$460,000	\$10,000	\$450,000	\$430,000	(\$20,000)
Kartchner	\$1,800,000	\$2,100,000	\$300,000	\$1,800,000	\$2,100,000	\$300,000
Lake Havasu	\$647,000	\$852,000	\$205,000	\$676,000	\$1,100,000	\$424,000
Patagonia	\$513,000	\$764,000	\$251,000	\$612,000	\$877,000	\$265,000
Slide Rock	\$488,000	\$640,000	\$152,000	\$488,000	\$843,000	\$355,000
<b>Totals:</b>	<b>\$5,790,000</b>	<b>\$7,084,000</b>	<b>\$1,294,000</b>	<b>\$5,918,000</b>	<b>\$7,634,000</b>	<b>\$1,716,000</b>

# Group B Parks

## Fiscal Years 2010 Estimated & 2011 Projected Expenditures/Revenue

Park	Budgeted Expenditure FY 2010	Estimated Revenue FY 2010	Estimated Net Revenue FY 2010	Projected Expenditure FY 2011	Projected Revenue FY 2011	Projected Net Revenue FY 2011
Alamo Lake	\$355,000	\$335,000	(\$20,000)	\$355,000	\$339,000	(\$16,000)
Lost Dutchman	\$268,000	\$326,000	\$58,000	\$268,000	\$362,000	\$94,000
Picacho Peak	\$292,000	\$237,000	(\$55,000)	\$292,000	\$249,000	(\$43,000)
Red Rock	\$330,000	\$175,000	(\$155,000)	\$330,000	\$230,000	(\$100,000)
Roper Lake	\$301,000	\$299,000	(\$2,000)	\$301,000	\$333,000	\$32,000
Tombstone	\$145,000	\$162,000	\$17,000	\$145,000	\$131,000	(\$14,000)
Yuma Prison	\$242,000	\$169,000	(\$73,000)	\$242,000	\$169,000	(\$73,000)
<b>Totals:</b>	<b>1,933,000</b>	<b>1,703,000</b>	<b>(\$230,000)</b>	<b>1,933,000</b>	<b>1,813,000</b>	<b>(\$120,000)</b>

For the purpose of this table projections assume that current operations would continue and that all parks would remain open.

# Group C Parks

## Fiscal Years 2010 Estimated & 2011 Projected Expenditures/Revenue

Park	Budgeted Expenditure FY 2010	Estimated Revenue FY 2010	Estimated Net Revenue FY 2010	Projected Expenditure FY 2011	Projected Revenue FY 2011	Projected Net Revenue FY 2011
Ft. Verde	\$95,000	\$38,000	(\$57,000)	\$95,000	\$42,000	(\$53,000)
Homolovi	\$210,000	\$26,000	(\$184,000)	\$210,000	\$10,000	(\$200,000)
Lyman Lake	\$288,000	\$131,000	(\$157,000)	\$288,000	\$160,000	(\$128,000)
Riordan	\$243,000	\$126,000	(\$117,000)	\$243,000	\$112,000	(\$131,000)
Tonto*	\$717,000	\$142,000	(\$575,000)	\$643,000	\$167,000	(\$476,000)
Tubac	\$187,000	\$23,000	(\$164,000)	\$187,000	\$26,000	(\$161,000)
<b>Totals:</b>	<b>\$1,740,000</b>	<b>\$486,000</b>	<b>(\$1,254,000)</b>	<b>\$1,666,000</b>	<b>\$517,000</b>	<b>(\$1,149,000)</b>

\* Tonto Lease-Purchase Payment included in Total Expenditures:

FY 2010 \$448,300      FY 2011 \$373,800

For the purpose of this table projections assume that current operations would continue and that all parks would remain open.

## Agenda Item I-2

Consider Endorsing Statutory Remedies for  
FY 2010 & FY 2011 to Maximize Agency  
Operating Budget

- Obtain statutory flexibility in use of funds to maximize monies for operations
- Reverse cuts and sweeps enacted with Laws 2009, 5<sup>th</sup> Special Session, Chapter 1



## Agenda Item I-2

- Secure \$3M cash flow solution to move into FY 2011
- Seek an extension on the Tonto Natural Bridge lease-purchase payment due August 2010

# **Arizona State Parks Board**

## **January 15, 2010**

